

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

PETTERS AVIATION, LLC

**Case No. 08-45136 (RJK)
Chapter 11**

Debtor

ELITE LANDINGS, LLC

**Case No. 08-45210 (RJK)
Chapter 11**

Debtor

**MN AIRLINES, LLC
dba SUN COUNTRY AIRLINES**

**Case No. 08-35197
Chapter 11**

Debtor

CREDITOR'S EX PARTE VERIFIED MOTIONS TO DISMISS

CREDITOR RICHARD HETTLER, respectfully moves the court to dismiss the within actions with prejudice. In support thereof, creditor offers his annexed brief.

Respectfully submitted this 18th day of April, 2010.



By:

Richard Hettler, Creditor
4818 Overlook Lake Circle
Bloomington, MN 55437
612 285-8458

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

UNITED STATES OF AMERICA

Plaintiff

CASE NO. 08-364 (RHK/AJB)

v.

THOMAS JOSEPH PETTERS

Defendant

**VERIFIED BRIEF IN SUPPORT OF CONSOLIDATION, DISMISSAL OF ALL
INSTANTLY ACTIVE AND PETTERS RELATED BANKRUPTCY MATTERS, AN ORDERED
CLAWBACK, AN ORDER GRANTING VICTIM HETTLER A PRIORITY RETURN OF AND ON
HIS INVESTED CAPITAL WITH PETTERS, AN ORDER FOR TOTAL DISCLOSURE, AND
FOR THE APPOINTMENT OF SPECIAL COUNSEL**

Incorporating herein by reference all filings and ex parte communications communicated to date to the Richard Kyle court in US v Petters, and to presiding judges Kressel and Kishel in bankruptcy matters in re: ***Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, and Elite Landings***, all of which collectively have gone unanswered, this brief is in support of a proposed consolidation of all instantly active Minnesota bankruptcies in re ***Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, and Elite Landings*** now before bankruptcy judges Kressel and Kishel into US v Petters, for a dismissal of all bankruptcy matters in re ***Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, and Elite Landings***, for a Kyle ordered claw back, for a Kyle order granting victim Richard Hettler a priority return of and on his invested capital with Petters, for a Kyle order directing court appointed receiver Doug Kelley and all bankruptcy trustees currently assigned to ***Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, and Elite Landings*** to fully disclose all property located and liquidated to date and to identify all recipients (including Kelley and the trustees) paid by Kelley and the respective trustees, and finally for the appointment of Special Counsel.

The evidence which came out in the criminal trial revealed that Petters used PCI as his exclusive funding vehicle to acquire or capitalize all such business interests. Because Hettler was one of the very first victims of Petters/PCI (a total of seven (7) promissory Notes were made by Petters in favor of Hettler, all personally and corporately guaranteed by Petters), Hettler is entitled to a “**priority return**” on all such liquidated assets of said entities.- this includes monies realized out of the existing restitution (in the criminal proceeding) and all matters in bankruptcy whose debtors are demanding that they (the debtors) be indemnified from such entity creditors including creditor Hettler whose seven (7) promissory Notes financed PCI and thus **Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, and Elite Landings**.-see annexed court supplied “**Tom Petters Case Summary**”. Amounts now due victim Richard Hettler as of the date of this brief are **\$55,181,810.53** (see annexed proofs of claim)

The Minneapolis Star Tribune on 9 April, 2010 reported on the Petters April 8 sentencing by Richard Kyle captioned “**LARGEST FRAUD IN MINNESOTA HISTORY**”, yet there is a much more pervasive crime which has been quashed as to Petters/PCI and his cronies (“Petters et al”) never heard in a court of competent jurisdiction or even reported on by the media.

First, Petters et al embezzled substantially more than \$3.65-\$3.67 billion which is the amount generally published as the totality of the Petters/PCI' Ponzi swindle for which Petters went to prison. Victim Richard Hettler finds no argument with the 50 year sentence of judge Kyle, but surely the court must realize that Petters will devote the rest of his days to direct tens of billions of dollars, which in reality were stolen by he and his many co-conspirators, into the hands of the many who worked in conspiracy with him for as long as they did, literally decades. Petters owes many favors and will be repaying those favors from his prison cell for the rest of his life leaving victim/creditor Richard Hettler with nothing but a memory of a quality life he and his family once enjoyed.

Second, Petters, as the court is keenly aware, before he was arrested, boasted repeatedly that because of his artificial celebrity and his charitable donations made with swindled cash, enjoyed both *judicial and political “clout”* here in the Minnesota District and while some of the symptoms of this “clout” have surfaced since his arrest, none of the many who were “bribed” or paid for favors to Petters with swindled cash, have been compelled to return that money. This is troublesome and unlawful-all such money must, as a matter of law, be returned to the victims via clawback. Victim Richard Hettler speaks in large part of the political contributions Petters made to high level politicians so they might attain and retain office with swindled cash- this includes Minnesota Governor Tim Pawlenty and numerous members of the Minnesota congressional delegation, most notably US Senator Amy Klobuchar (Petters was Klobuchar’s largest campaign contributor and apparently the first person Petters called at the time of his October, 2008 arrest), who spent over \$70,000 in Ponzi money given her by Petters to get elected as a US Senator, and to repay Klobuchar, in her earlier capacity as Hennepin County District Attorney, for taking action against Hettler which caused both Minnesota state and federal courts (US District and US Bankruptcy) to “look the other way” on all amounts then owed (and still owed) Hettler by Petters. Now US Senator Amy Klobuchar accepted \$72,600 in cash for her 2006 Senate campaign which she knew had been swindled by Petters. When it was discovered that Klobuchar took Ponzi money to get elected, Klobuchar reported that she had received just \$4,000 and would be returning that amount to Petters. The record shows however that Klobuchar took \$72,600 from Petters, her top contributor.

Third, the highly published and generally accepted Ponzi swindle of \$3.65-\$3.67 billion is in reality closer to amounts in the tens of billions. Ex Minnesota US Attorney Hank Shea has already espoused that Petters/PCI embezzled *tens of billions of dollars*, other US attorneys espoused in open court (pre-trial) that their *office had traced more than \$10 billion*, also advising the court that they (the US Attorney's Office) believed that Petters swindled at least *3x that amount*. The relevance of this is that if the receivers and bankruptcy trustees are only being held accountable for \$3.5+ billion in swindled cash and they actually recover(or perhaps already have recovered) \$30-\$50 billion, this large surplus would be available only to those who now are resisting further discovery; that is, the receiver and the respective bankruptcy trustees- this is patently unlawful and eminently avoidable given proper ordered discovery and/or the appointment of Special Counsel who can impartially and faithfully serve both the court and the many victims like Richard Hettler who to date have received nothing.

Fourth, are the various and instantly active bankruptcies of *Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, and Elite Landings* whose debtor entities have been put on notice by victim creditor Hettler that their alleged entitlement to the monies which are now being recovered (without any disclosures ever forthcoming) by the currently appointed bankruptcy trustees are fundamentally "*contraband property*" which cannot be lawfully discharged by and through a bankruptcy court, or any court for that matter- in retaliation of Hettler's advice to such bankruptcy courts, a veritable army of debtor lawyers attacked Hettler (without lawful provocation) by petitioning the respective presiding judges Robert Kressel (presiding over MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, Elite Landings) and Gregory Kishel (presiding over Polaroid) to ignore Hettler claims, which thus far has gained the approval of the presiding judges. One can only presume that the presiding judges are sympathetic to such debtor counsel to bury the earlier unlawful discharges of Hettler property (reported by Hettler to the Kressel-Kishel courts, the Minneapolis FBI, and the Criminal Division of the IRS) as a consequence of two falsely staged bankruptcies of Ruth Kahn by

Ponzi schemer Thomas Petters, all staged by Petters and counsel, and then presided over (in 1999) by judges Kressel and Kishel- see case synopses at the end of this brief. Post such fraudulent bankruptcy activity, the Richard Kyle court convicted both Kahn and Petters.

Fifth, and as to Polaroid, the record is replete with evidence that victim/creditor Richard Hettler, in June, 2005, petitioned the US District Court for the Southern District of New York for a Temporary Restraining Order (TRO) (to stop the Petters' \$426 million Polaroid purchase with swindled cash) because the New York court had been venue stipulated to by both Petters and Polaroid on all matters governing said transaction. That TRO was denied by then Chief Judge Michael Mukasey where after New York Southern District US Attorney David N. Kelley and Richard Hettler advised the New York Regional Office of the SEC that a massive fraud was imminent and that Petters had been given the green light by the New York court to proceed with this unlawful acquisition. The SEC did nothing on such advice from both Hettler and US Attorney Kelley. Petters then purchased Polaroid for \$426 million in swindled cash (Ponzi money) where after Chief Judge Mukasey sent Hettler's case file back to Minnesota where Hettler was punished for reporting multiple felonies including securities fraud- this caused one of the largest swindles to ever hit Wall Street plus the collapse of the PBGC. It is a felony to not report crime under *Title 18 U.S.C. § 4*- Richard Hettler, for many years now, has reported these and numerous other crimes in return for which he has been consistently punished and threatened with loss of life. Still today, both Hettler and his wife live in constant daily fear of that knock on the door by Petters' "*goons*" who have already been to the couple's home heavily armed to threaten them, telling them to "*back off*" on the amounts owed them by Petters. There were two visits of this nature orchestrated by Petters and counsel who knew that Hettler was in the midst of recovering from a *massive hemorrhagic stroke* caused by the stress of this matter. This stroke nearly took his life. Knowledgeable of this, Petters/his counsel sent "*goons*" to the home of Richard Hettler, all heavily armed, who threatened to smash his front door in – they entered the home and the couple was

convinced that these “*goons*” had been sent there to kill victim Hettler and his wife- shortly thereafter, Hettler immediately sought his neurosurgeons’ advice on how best to cope with his elevated blood pressure which these terrorists provoked. This is hardly the proper way of dealing with a stroke victim.

For all reasons set forth hereinabove, Hettler now moves for a dismissal in four (4) separate causes of action now before Judges Kressel and Kishel and is now also petitioning the Kyle court to consolidate such bankruptcy matters into US v Petters for disposition of all property (combining amounts due in restitution with amounts thus far located and discharged by the respective bankruptcy trustees). Such matters should never have been put into bankruptcy as it is specifically unlawful for any court to discharge property known to be “*tainted*” and of course, all of the monies paid by Petters/PCI to purchase interests in each and every one of these and other business interests (now in bankruptcy) are “*bogus*”, and should be part of the instantly pled “*claw back*”. To facilitate a “*claw back*”, a complete sources and uses of capital must be prepared; that is, from 1995 on. For definitional purposes, “*Petters et al*” is defined as Thomas Petters personally, corporately, and /or in trust for others, regardless of venue. Those subject to this claw back order should consist of Petters et al, all individuals/entities (“*Parties et al*”), all of whom should divulge all amounts paid or received and when such payments were made or received, Parties et al and Petters et al should also be compelled to produce a full inventory of all real and personal property (including any liens or encumbrances thereon) held by them (solely or jointly with others) personally or corporately and when such property was acquired or sold, all credit card and bank statements (US domiciled and offshore), all check images, all wire transfers, all state and federal tax returns, all maintenance and utility bills, all travel and lodging expenses and any and all business accounting ledgers. Petters and Parties et al subject to this claw back order would include all members of the Petters family, his past and current associates, his or their counsel, all prior investors of Petters who received funds in excess of their contributed capital, all politicians who accepted donations from Petters et al now or past in office, all charitable entities paid

by Petters et al, all existing or past involved officers of the state and federal courts (any worldwide venue) who were ever involved with Petters. This information has presumptively already been collected by forensic experts at PriceWaterhouseCoopers and FTI but receiver Doug Kelley will not disclose any such forensic discoveries, nor will the respective bankruptcy trustees; ergo, the urgent need for a "*claw back*".

The only plausible way of handling such a matter is by and through a single trier of fact with exclusive authority over all swindled property and by ordering payments to its victims under restitution. The bankruptcies which were brought in the Petters matter were never lawfully bought as Petters never paid for any such business interests with his own money and therefore, the debtor entities are making demands to return property to which they were never lawfully entitled. These instant bankruptcies are pretty much out of control as the presiding judges are giving away money due victim Richard Hettler and other victim/creditors on a wholesale basis. This is why victim Richard Hettler now strongly urges the Kyle court to turn all matters of restitution and those wrongfully put into bankruptcy over to Special Counsel who can faithfully and objectively serve the court and the victims. Because this is a monumental "scam", a Special Counsel accustomed to handling "corruption" will best serve the interests of the courts and the victims and someone the caliber of a Patrick Fitzgerald comes to mind. The wanton discharge of property owned by Richard Hettler and other victim/creditors must come to an end before the receivers and bankruptcy trustees give away every dime they collect leaving all victims and creditors with nothing. A Special Counsel would replace all current non-functional (and non-disclosing) trustees and receivers and report directly to Judge Kyle. Absent such a proposed remedy, the respective bankruptcy trustees and receiver Doug Kelley will continue their current practice of turning every dime they collect over to themselves and their lawyer cronies- dollars disbursed to date are in the hundreds of millions with nothing paid to Hettler nor to the best of his knowledge, any other victim/creditor. Receiver Doug Kelley has already commented on the record

“*creditors come last*”. Consolidation of all bankruptcy matters under Judge Kyle, working in concert with Special Counsel is the only hope such victim/creditors will have. Again, and because this matter has gone as long as it has without any disclosures, victim/creditor Richard Hettler respectfully urges the Kyle court to forthwith request the services of Special Counsel Patrick J. Fitzgerald who is no stranger to “*corruption*” and would direct monies to the real victims like Richard Hettler, not the perpetrators, nor the debtor entities acquired with known swindled cash (“*contraband*”) and their counsel of record. Failure to appoint Special Counsel or order mandated disclosure will allow all Ponzi money (\$50 billion is estimated) to go to the lawyers, trustees, receivers, et al, all those Petters has past bribed and will continue to bribe, all those who corroborated criminally with Petters for multiple decades (their families, counsel, etc), and all of his family members. The losers?- Richard Hettler and all others who fueled the Petters’ **\$50 billion heist**.

It is well known that the purpose of a bankruptcy is to give the debtor a “*clean slate*” and to protect that debtor from creditors moving forward. The debtors in Petters Aviation, Elite Landings, MN Airlines, LLC dba Sun Country Airlines, and Polaroid were never in possession of lawful title to their businesses (as such businesses were purchased by Petters/PCI with swindled cash). Such debtors are asking judges Kressel and Kishel to give them a “*clean slate*” which was hopelessly contaminated at the time of their purchase- ie: their “slate” was never clean. Allowing the instant debtor entities to continue their claims to such contraband property is egregiously unlawful and a fraud upon the court- this is why victim Hettler urged all bankruptcy courts and the Richard Kyle court to declare all prior orders of such courts *void ab initio* under Hazel-Atlas case law. “*No fraud is more odious than an attempt to subvert the administration of justice*” *Mr. Justice Roberts in Hazel-Atlas Glass Co. v. Hartford-Empire Co., 322 U.S. 238 (1944)*. The US Supreme Court stipulated in HAZEL-ATLAS GLASS CO. v. HARTFORD EMPIRE CO., 322 U.S. 238 (1944) that Fraud on the Court by Officers of the Courts creates a *void* in the Statute of Limitations - as the Fraud is perpetrated against

the Judicial Process itself - all Orders transacted due to Fraud on the Court are *void - ab initio!* Clearly, such bankruptcies were brought in "*bad faith*", they have been allowed to continue in "*bad faith*", and accordingly, must now be dismissed as a matter of law.

Now that the Petters sentencing is out of the way, judge Richard Kyle, familiar with both convicted felons Ruth Kahn and Thomas Petters (having convicted both of them for their role in this swindle), is in the best possible position to compensate victim Richard Hettler via restitution by and through this proposed consolidation.

In closing, Petters has the next forty-one (41) years of his life to direct (from his prison cell) literally billions of investor dollars (substantially more than the \$3+ billion) into the hands of those he chooses-he can do this because of perpetually suppressed discovery to date. His honor has an opportunity to fix this by appointing Special Counsel who can responsibly administer the affairs of the many aggrieved victims/creditors who are "*doomed*" without such relief. Receiver Kelley and the respective bankruptcy trustees know where the money is (as do their forensic experts PriceWaterhouseCoopers and FTI, who Kelley hired with victim funds) but have not reported the same nor will they unless compelled to do so. Ponzi activity is the latest "*cottage industry*" and it is comforting to know that the FBI is now taking such "*corruption*" seriously. His honor will hopefully find the annexed article on "*public corruption*" encouraging and instructive.

The currently active case matters are:

• <i>US v Petters</i>	<i>Case No. 08-364 (RHK/AJB)</i>
• <i>In re: Petters Aviation, LLC</i>	<i>Case No. 08-45136-RJK</i>
• <i>In re: Elite Landings, LLC</i>	<i>Case No. 08-45210-RJK</i>
• <i>In re: MN Airlines, LLC dba Sun Country Airlines</i>	<i>Case No. 08-35197-RJK</i>
• <i>In re: Polaroid Corporation, et al</i>	<i>Case No. 08-46617-GFK</i>

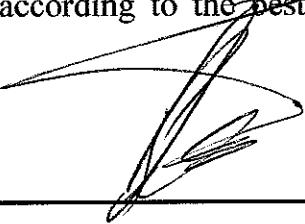
The precursor and falsely staged 1999 Kahn bankruptcies by Petters, in concert with Kahn bankruptcy trustees John Stoebner and Thomas Miller, for which ex Minnesota US Trustee Barbara Stuart was fired by ex-USAG John Ashcroft follow:

- *Ruth D. Kahn Personal Bankruptcy 99-42419-presiding judges Dreher, Kressel, Kishel)*
- *Kahn's corporate bankruptcy Ina Manufacturing Corporation, No. 99-30128-presiding judge Dennis D. O'Brien*

The Petters/Kahn fraudulent bankruptcies were brought to the attention of all Minnesota US District and Bankruptcy courts, the Minneapolis FBI, the Minnesota US Attorney's Office, and the Criminal Division of IRS by victim/creditor Richard Hettler, all on corroborated demands from US Senators Paul Wellstone and Mark Dayton. Richard Hettler is the only known victim/creditor of Petters who reported such Ponzi activity to the above-entities as early as 2001, --similar reports to the FBI were made in 1999 by Minneapolis attorney Garrett Vail (who sued Ruth Kahn in bankruptcy and then reported the Petters' staged Petters/Kahn/Stoebner/Miller bankruptcy fraud to the FBI where Petters/Kahn declared Hettler's property as Kahn's own declaring over \$3 million of Hettler property (2 of the 7 promissory Notes made by Petters in favor of Hettler) on Kahn's bankruptcy schedule and then admitted to the false claims,(no remedial action ever taken by the bankruptcy court) and banker Brian Werner (whose bank was swindled by Petters/Kahn). This 1999 Petters/Kahn/Stoebner/Miller bankruptcy swindle(reported to the FBI, the Minnesota US Attorneys Office, the SEC, the Criminal Division of the IRS, by Hettler and others) set the stage for more and now instantly active ***bankruptcy fraud*** in re: Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, and Elite Landings and such instant bankruptcy causes of action must be dismissed as a matter of law or at a minimum to declare all predecessor Orders of the Kressel, Kishel and all other contributing judges (Dreher, O'Brien et al) ***void ab initio***. Petters started this scam in 1999 and it now continues into 2010, notwithstanding Petters' arrest, his conviction, and a 50 year prison sentence.

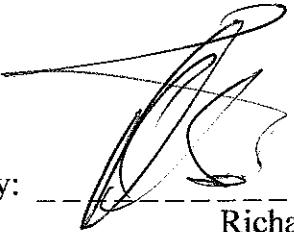
VERIFICATION

I, Richard Hettler, am a victim of defendant Petters, a past and current victim/creditor of the bankruptcy courts in re Polaroid, MN Airlines, LLC dba Sun Country Airlines, Petters Aviation, Elite Landings, the earlier staged bankruptcy fraud of Petters/Kahn/Stoebner/Miller and declare under penalty of perjury, that the foregoing is true and correct according to the best of my knowledge, information, and belief.



Dated 18 April, 2010

Richard Hettler



By: _____

Richard Hettler,
Victim in US v Petters
Victim/Creditor in re: Polaroid,
MN Airlines, LLC dba Sun Country
Airlines , Petters Aviation, Elite Landings
4818 Overlook Lake Circle
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THE TOM PETTERS CASE SUMMARY

Tom Petters case summary

On December 2, 2009, after a month-long trial and five days of deliberation, a federal jury convicted Thomas Petters, 53, of Wayzata, of orchestrating a \$3.65 billion Ponzi scheme. Specifically, Petters, who was indicted in December 2008, was found guilty of ten counts of wire fraud, three counts of mail fraud, one count of conspiracy to commit mail and wire fraud, one count of conspiracy to commit money laundering, and five counts of money laundering.

According to the indictment and trial evidence, Petters, aided and abetted by others, defrauded and obtained billions of dollars and property by inducing investors to provide Petters Company, Inc., (“PCI”) funds to buy merchandise to be resold to retailers at a profit. Instead, the defendant and his co-conspirators diverted the funds for other purposes, such as making lulling payments to investors, paying off those who assisted in the fraud scheme, funding businesses owned or controlled by the defendant, and financing Thomas Petters’s extravagant lifestyle.

This investigation began on September 8, 2008, when co-conspirator Deanna Coleman and her attorney reported to law enforcement that she had been aiding Petters in a multi-billion-dollar Ponzi scheme for ten years. Coleman reported that she, Petters, and co-conspirator Robert White fabricated documents to entice investors into lending Petters money purportedly to purchase electronics to be sold to big-box retailers, such as Costco and Sam’s Club. The money, though, was not used for that purpose.

Coleman agreed to work with law enforcement. She wore a recording device to tape conversations with Petters and others to evidence White’s and Petters’s involvement in it. Within the first few hours of Coleman’s recorded conversations, Petters was heard admitting that purchase orders were “fake” and claiming “divine intervention” was the only way to explain how he and co-conspirators had “gotten away with this for so long.” The recorded conversations chronicled the history of the scheme and the conspirators’ efforts to maintain it by obtaining new funds and lulling long-term investors. The recordings also detailed how the conspirators planned to avoid responsibility if the fraud was discovered.

Petters’s scam was in essence a Ponzi scheme. Often potential investors were provided fabricated documents that listed goods purportedly purchased by PCI from various vendors and then sold to retailers. In some instances, investors also were given false records purporting to show that PCI had wired its own funds to vendors, thus giving the appearance that PCI had money invested in the deals too. In addition, investors received false PCI financial statements that indicated the company was owed billions of dollars from retailers. To induce investors further, Petters often signed promissory notes and provided his personal guarantee for the funds received. Those who invested, however, were not paid through profits from actual transactions. Rather, they were paid with money obtained from new investors and, at times, from their own money.

PCI, owned solely by Petters, was used for fraud from day one. Petters inflated and falsified purchase orders in an effort to obtain more money from investors, which, in turn, he used to pay other investors as well as himself. When Petters could not pay investors on time, he employed delay and evasion tactics, such as promising payments in the future, making up excuses about slow payments from retailers, or providing bad checks. As the scheme progressed, Coleman, Petters’s office manager, became responsible for fabricating purchase orders and transferring funds among investors. Petters also recruited White to assist in the fraud.

To further his scheme, Petters also recruited two business associates to launder billions of dollars in investor funds. From 2003 to the fall of 2008, about \$24 billion flowed through their accounts and back to Petters. Although the two recruits were supposedly selling hundreds of millions of dollars in products to PCI, records revealed money flowed from them to PCI.

Petters bought and operated additional companies in an effort to maintain the facade of a successful businessman and create an air of legitimacy to lure investors. *His companies were purchased with proceeds of the PCI fraud and included Fingerhut, Polaroid, and Sun Country Airlines.* Each year PCI wrote off millions based on losses incurred by funding these companies, but they were necessary to give Petters the appearance he needed in order to keep the scam going.

On September 24, 2008, 16 days after the crime was reported search warrants were executed at the Petters headquarters, his residence and other locations. On October 3, 2008, Petters was arrested on a federal complaint, and was detained pending trial. Petters, PCI and Petters Group Worldwide LLC were indicted by a federal grand jury on December 1, 2008. Coleman, White, and five others pled guilty for their respective roles in the scheme and now await sentencing. Petters, who will be sentenced in early 2010, faces 335 months to life.

This case was investigated by the FBI, the U.S. Postal Inspection Service, and the IRS-Criminal Investigation Division.

PROOFS OF CLAIM

EXHIBIT R

UPDATED MISCELLANEOUS EXPENSES, LOST INCOME, AND PROMISSORY NOTE LOSSES THROUGH 1 APRIL, 2010
REFILED FOR PONZI RECOVERY IN THE PETERS MATTER

EXPENSE REIMBURSEMENT	AMOUNT	RECEIVER	COURT DECISION
401(k)	\$ 40,000		RECOMMENDATION
Couple's Savings Depletion	\$ 180,000		AS OF 1 APRIL, 2010, THE FOLLOWING MISCELLANEOUS DAMAGES
Credit Cards	\$ 30,000		ARE REPORTED FOR PONZI RECOVERY PURPOSES
Home Equity Line of Credit	\$ 70,000		
Mastercard	\$ 15,000		
Wells Fargo Credit Card	\$ 15,000		PREVIOUS EXPENSE REIMBURSEMENT REQUEST
One-Time Reimbursement >>>>	\$ 350,000		
Monthly Expenses			Ongoing Monthly Expenses AT \$12,330 PER MONTH
Cable	\$ 160		FROM December, 2008 forward to 1 April, 2010
Car Insurance	\$ 400		
Car License tabs	\$ 40		17 months >>>
Cell Phones	\$ 90		
Clothing	\$ 1,000		
Credit Card Payments	\$ 4,000		\$3,684,610.00
Fuel	\$ 400		
Gas & Electric	\$ 400		TOTAL PROMISSORY NOTE LOSSES
Gasoline	\$ 400		
Groceries	\$ 1,000		
Job Search	\$ 400		TOTAL LOSSES>>>>(see Ponzi recovery claim)
LA Fitness Health Club	\$ 80		
Lawn and Snow Removal	\$ 100		
Maintenance	\$ 200		
Mortgage	\$ 1,900		
Newspaper	\$ 30		
Office Supplies/Computer	\$ 350		
Out of Pocket Dental	\$ 120		
Pet Care	\$ 150		
Property Tax and Insurance	\$ 530		
Owest	\$ 100		
Trash Pickup	\$ 80		
Utilities	\$ 400		
			Ongoing Monthly Expenses >>>
			\$ 12,330

PROOF OF RICHARD HETTLER'S CLAIM (Ponzi recovery)

against Thomas Petters, Petters Company, Inc., Petters Group Worldwide, Petters Aviation, Elite Indus, Dafters Central, Elmerhardt, Dierdorf and Sun Country Airlines.

PUBLIC CORRUPTION ARTICLE- FBI SPECIAL AGENT PATRICK BOHRER

Headline Archives

PUBLIC CORRUPTION

Why It's Our #1 Criminal Priority

March 26, 2010



Public corruption is a breach of trust by federal, state, or local officials—often with the help of private sector accomplices. It's also the FBI's top criminal investigative priority. To explain why the Bureau takes public corruption so seriously and how we investigate, we talked with Special Agent Patrick Bohrer, assistant section chief of our Public Corruption/Civil Rights program at FBI Headquarters.

Question: Why is public corruption so high on the FBI's list of investigative priorities?

Answer: Because of its impact. Corrupt public officials undermine our country's national security, our overall safety, the public trust, and confidence in the U.S. government, wasting billions of dollars along the way. This corruption can tarnish virtually every aspect of society. For example, a border official might take a bribe, knowingly or unknowingly letting in a truck containing weapons of mass destruction. Or corrupt state legislators could cast deciding votes on a bill providing funding or other benefits to a company for the wrong reasons. Or at the local level, a building inspector might be paid to overlook some bad wiring, which could cause a deadly fire down the road.

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Q: Can you describe the kinds of public corruption that the FBI investigates?

A: It really runs the gamut. Bribery is the most common. But there's also extortion, embezzlement, racketeering, kickbacks, and money laundering, as well as wire, mail, bank, and tax fraud. Right now, based on our intelligence on emerging trends, we are focused specifically on several major issues: corruption along our national borders; corrupt officials who take advantage of natural disasters or economic crises to divert some of the government's aid into their own pockets; and a myriad of officials who may personally benefit from the economic stimulus funding.



Special Agent
Patrick Bohrer

Q: Where do you find this corruption?

A: Just about everywhere—at the federal, state, and local levels throughout the country. And I should point out, the vast majority of our country's public officials are honest and work hard to improve the lives of the American people. But a small number make decisions for the wrong reasons—usually, to line their own pockets or those of friends and family. These people can be found—and have been found—in legislatures, courts, city halls, law enforcement departments, school and zoning boards, government agencies of all kinds (including those that regulate elections and transportation), and even companies that do business with government.

Q: How does the FBI investigate public corruption?

A: We're in a unique position to investigate allegations of public corruption. Our lawful use of sophisticated investigative tools and methods—like undercover operations, court-authorized electronic surveillance, and informants—often gives us a front-row seat to witness the actual exchange of bribe money or a backroom handshake that seals an illegal deal...and enough evidence to send the culprits to prison. But we have plenty of help. We often work in conjunction with the **inspector general offices from various federal agencies**, as well as with our state and local partners. And we depend greatly on assistance from the public. So let me end by saying, if anyone out there has any information about potential **wrongdoing by a public official**, please submit a tip online or contact your local FBI field office. Your help really makes a difference.

Resources:

- [More on FBI efforts to combat public corruption](#)

[Headline Archives home](#)